

Message Text

UNCLASSIFIED

PAGE 01 BONN 03698 131543 Z

62

ACTION EB-11

INFO OCT-01 EUR-25 ADP-00 AID-20 NSC-10 RSC-01 CIEP-02

SAL-01 SS-14 STR-08 OMB-01 CEA-02 CIAE-00 COME-00

FRB-02 INR-09 NSAE-00 TRSE-00 XMB-07 OPIC-12 LAB-06

SIL-01 DODE-00 PA-03 USIA-12 PRS-01 M-03 A-01 ABF-01

L-03 H-02 RSR-01 /160 W

----- 040952

R 131516 Z MAR 73

FM AMEMBASSY BONN

TO SECSTATE WASHDC 3836

INFO AMEMBASSY BERN

AMEMBASSY BRUSSELS

AMEMBASSY LONDON

AMEMBASSY MOSCOW

AMEMBASSY PARIS

AMEMBASSY VIENNA

USMISSION EC BRUSSELS UNN

USMISSION OECD PARIS UNN

UNCLAS BONN 3698

DEPARTMENT PASS TREASURY AND FEDERAL RESERVE

E. O. 11652: N/ A

TAGS: EFIN, GW

SUBJECT: GERMAN FOREIGN EXCHANGE MARKETS ON MARCH 12 AND 13

1. THE BUNDESBANK TELLS US THAT ON MARCH 12 SPOT DOLLARS OPENED IN INTERBANK TRADING AT A MEDIAN RATE OF DM 2.77 DOWN FROM FRIDAY'S CLOSING OF ABOUT DM 2.79. LATER ON THEY INCREASED TO DM 2.7850 - 2.7950.

2. ON MARCH 13 SPOT DOLLARS OPENED AT DM 2.7930-2.7950 AND INCREASED FURTHER IN THE MORNING TO DM 2.8070-2.8090. AROUND NOON THEY FELL BACK TO DM 2.8020-2.8050 BUT STRENGTHENED LATER ON TO DM 2.8035-
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2.8065 AT ABOUT 2:30 P. M. ON BOTH DAYS TURNOVER WAS REPORTEDLY NOT TOO LARGE. BUNDESBANK EXCHANGE DEALERS CONSIDER THE NARROWING IN THE SPREAD BETWEEN BUYING AND SELLING RATES FROM ABOUT A FULL PFENNIG DURING THE PREVIOUS WEEK AND YESTERDAY TO 0.2-0.3 PFENNIGS ON MARCH 13 AS AN INDICATION THAT THE MARKET HAS SETTLED CONSIDERABLY.

3. ON FORWARD MARKETS DOLLARS WERE TRADED ON MARCH 12 AT DISCOUNTS OF ABOUT 11 PERCENT (ONE- MONTH MATURITIES) AND 8 PERCENT (THREE- MONT MATURITIES) DOWN FROM DISCOUNTS REPORTED ON FRIDAY OF ABOUT 13 1/2 PERCENT AND 9.0 PERCENT, RESPECTIVELY. ON MARCH 13 FORWARD DISCOUNTS DECLINED FURTHER TO 10.0 PERCENT (ONE- MONTH) AND 6.2 PERCENT

(THREE- MONTH) AT ABOUT 2:30 P. M. HILLENBRAND

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*** Current Handling Restrictions *** n/a

*** Current Classification *** UNCLASSIFIED

Message Attributes

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Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
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Executive Order: n/a
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ISecure: 1
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Original Previous Handling Restrictions: n/a
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Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

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Status: <DBA CORRECTED> jms 971124
Subject: GERMAN FOREIGN EXCHANGE MARKETS ON MARCH 12 AND 13
TAGS: EFIN, GW
To: BERN
BRUSSELS
EB
EC BRUSSELS
LONDON
MOSCOW
PARIS

SECSTATE WASHDC

VIENNA

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005